GOVERNMENT OF INDIA
EXTERNAL AFFAIRS
LOK SABHA

UNSTARRED QUESTION NO:5077
ANSWERED ON:05.04.2017
Financial Support to Nalanda and SAU
Sreeramulu Shri B.

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) the details of financial support extended to Nalanda and South Asian University (SAU), including the quantum of funds allocated and the terms and conditions associated with such funds;

(b) the comparison of contributions by the Indian Government with the voluntary contributions of other participating countries;

(c) whether the Government has received reports of financial mismanagement by the authorities of the Nalanda University and South Asian University and if so, the details thereof;

(d) the details of the steps being taken/planned by the Government to correct the mismanagement; and

(e) whether the Government is planning to set up an International University in Karnataka with foreign funding and if so, the details thereof along with the timeline?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS
[GEN. (DR) V. K. SINGH (RETD)]

(a) Nalanda University: Nalanda University has been established as a non-profit public-private partnership international institution of academic excellence. India, as the host country, has made significant contributions. The Central Government has made an allocation of Rs 2,727.10 crores to meet the capital and recurring expenditure of Nalanda University during the establishment phase up to 2021-22. The allocation is made from MEA's Plan Budget. The utilization of these funds are subject to Nalanda University's own rules and regulations and all relevant Government of India guidelines. MEA has no direct control over the expenditures incurred by the University which are subject to the Rules & Regulations of the University and approved by its Governing Board. However, the accounts of Nalanda University are audited by the Comptroller and Auditor General of India and the Principal Chief Controller of Accounts of Ministry of External Affairs.

South Asian University (SAU): India contributes approximately USD 4.34 million annually towards operational cost of the South Asian University. The Cabinet has approved US$ 239.930 million on account of capital cost of the university. The revised cost estimates for the construction project is Rs. 2545.47 crores. The university started functioning since 2010. The financial support extended to the university so far is Rs. 578.77crores on all heads . Funds directly disbursed to the university for construction of its permanent campus, operational costs and scholarship scheme amount to Rs. 388.25 crores as on date. Indirect financial support of Rs. 190.53 crores include land measuring 85.32 acres provided free of cost at Maidan Garhi, New Delhi for construction of the permanent campus, payment of rent(since May, 2012) for its temporary premises in Akbar Bhavan, New Delhi and miscellaneous expenditure incurred in connection with the university project. The terms and conditions associated with such funds is that the ownership of land vests with the Ministry of External Affairs and the capital expenditure of the university will be audited by the CAG of India. Government of India pays its assessed contribution to the operational costs of the university. However, it has no direct control over the operational expenditure which is incurred according to the Rules and Regulations of the university and approved by the Governing Board, of which India is a Member.

(b) Nalanda University: The comparison of contribution by Indian Government with the voluntary contribution of other participating countries is as follows:

From Whom Amount received (till 30.03.2017)
Government of India Rs 159.18 crores
China US $ 1 Million (equal to Rs 5.2 crores)
Australia Aus $ 1 Million (equal to Rs 5.4 crores)
Thailand US $ 127,000 (=Rs 68.00 lakhs)
Lao (PDR) US $ 50,000 (equal to Rs 27.37 lakhs)
Indonesia US $ 30,000 (equal to Rs 18.54 lakhs)
Mr Rajendra Joshi & Mrs Ursula Joshi. US $ 1 Million (equal to Rs 6.6 crores)

South Asian University (SAU): A comparative statement of contributions of India vis Ã -vis other SAARC member states is enclosed as Annexure.

(c) Nalanda University: The accounts of Nalanda University are audited by the office of Comptroller and Audit General of India and also the Principal Chief Controller of Accounts of the Ministry of External Affairs. They have pointed out certain procedural irregularities in the expenditures incurred by Nalanda University. The Nalanda University has furnished its reply to the audit authorities. The Ministry of External Affairs received some complaints of irregularities in the University and these were forwarded to the University authorities for necessary action. The University has termed these complaints as false, baseless and defamatory.

South Asian University: Audit of the capital expenditure of the South Asian University for the period 2011-15 has been conducted by the CAG of India. The audit report has pointed out some irregularities in incurring of expenditure on capital fund, grants-in-aid/contribution, purchase of furniture, payments made to the contractor etc. The university has furnished its reply to the audit observations and these are being pursued. The Ministry of External Affairs had also received some complaints of financial mismanagement and corruption in the university from members of the public. They were forwarded to the University for Necessary Action. The university has dismissed the allegations as out of place.

(d) Nalanda University: The Ministry has urged the University to follow best practices with regard to incurring expenditures and to follow all relevant GoI guidelines and the University's own rules and regulations. Further, the Government has recently constituted the Governing Board of the University with effect from 21.11.2016 in terms of the Nalanda University Act, 2010 to improve oversight.

South Asian University: The Ministry of External Affairs is fully mindful of the issue of proper management of the South Asian University and probity in its financial affairs. In case of any complaint/adverse report in this regard, it will take up the matter for remedial action through its Member in the Governing Board of SAU.

(e) This Ministry is not aware of any such proposal for the establishment of an International University in Karnataka with foreign funding.